

USAWC RESEARCH PROJECT

**UNITED STATES ARMY RESERVE IMPLEMENTATION OF THE 1990
DEFENSE ACQUISITION WORKFORCE IMPROVEMENT ACT**

by

Lieutenant Colonel Jimmy T. Fox

United States Army

Dr. Jerry G. Davis

Project Adviser

19960822 242

DISTRIBUTION STATEMENT A: Approved for public
release. Distribution is unlimited.

U.S. Army War College

Carlisle Barracks, Pennsylvania 17013

June 1996

The views expressed in this paper are those of
the author and do not necessarily reflect the
views of the Department of Defense or any of
its agencies. This document may not be
released for open publication until it has
been cleared by the appropriate military
service or government agency.

DTIC QUALITY INSPECTED 3

ABSTRACT

AUTHOR: Jimmy T. Fox, LTC, USAR

TITLE: United States Army Reserve Implementation of the Defense Acquisition Workforce Improvement Act.

FORMAT: Strategy Research Project

DATE: 1 June 1996

PAGES: 21

CLASSIFICATION: Unclassified

This research project is a study of the United States Army Reserve (USAR) implementation of Congressional laws pertaining to the establishment of the Army Acquisition Corps. It includes a review of the USAR's compliance with the 1990 Defense Acquisition Workforce Improvement Act (DAWIA). DoD Directive 5000.52, DoD 5000.52M, DoD Instruction 5000.55, DoD instruction 5000.58, as well as a discussion of Department of the Army acquisition guidance. The study includes a comparison of Active Component and USAR implementation of the law and guidances; and considers what systemic problems cause USAR postponement in implementing the laws and guidance. The study concludes with my recommendations regarding changes to DoD acquisition-related directives, instructions, and manuals; Department of the Army and USAR actions to fully implement DAWIA; the accession of USAR personnel into the Army Acquisition Corps; the use of Individual Mobilization Augmentees to fill critical Army Acquisition Corps slots; and the use of the USAR to accomplish contingency contracting.

TABLE OF CONTENTS

Introduction	1
Prior Studies	1
The Defense Acquisition Workforce Improvement Act	2
Department of Defense Directive 5000.52, Defense Acquisition Education, Training, and Career Development Program	7
Department of Defense 5000.52-M, Career Development Program for Acquisition Personnel	8
Department of Defense Instruction 5000.55, Reporting Management Information on DoD Military and Civilian Acquisition Personnel and Positions	11
Department of Defense Instruction 5000.58, Defense Acquisition Workforce	13
Department of the Army Acquisition Guidance	14
USAR Acquisition Implementation Progress	16
Recommendations	19
Implementation Benefits to the USAR	23
Conclusion	24
Endnotes	26
Bibliography	28

Introduction

The Department of Defense (DoD), Congress, and the military industrial complex have striven for years to improve the acquisition process, with only moderate success. One of the most significant improvements has been the establishment and implementation of the 1990 Defense Acquisition Workforce Improvement Act (DAWIA). Unfortunately, the United States Army Reserve (USAR) and National Guard have not implemented DAWIA. This research project will examine the situation prior to the establishment of DAWIA, DAWIA's stipulations, how the DoD implemented DAWIA, what actions the USAR has initiated towards implementing DAWIA, why the USAR has failed to implement DAWIA, and how the Office of the Chief of the Army Reserve (OCAR) could improve the USAR by implementing the Congressionally mandated law. One may ask why should the USAR implement DAWIA. The obvious answer is "because it is the law." There are numerous systemic reasons why the Reserve Components are unable to fully implement DAWIA. This paper discusses several implementation problems and suggests how the USAR might fully implement DAWIA.

Prior Studies

The DoD acquisition community has experienced numerous formal reviews and changes, including the Hoover Commissions of 1949 and 1955, the Fitzbough Commission in 1970, the Grace Commission of 1983, the National Performance Review, the Goldwater-Nichols Department of Defense Reorganization Act of 1986, the Packard Commission of 1986, Reinventing Government, Fly Before You Buy, and the Defense Acquisition Workforce Improvement Act of 1990. These initiatives were intended to eliminate the embarrassment and waste associated with significant cost overruns and the purchase of \$760 toilet seats, \$999 pliers, and \$7,600 coffee pots. The DoD acquisition

workforce needed to improve its quality and professionalism while employing more consistent acquisition policies.

The early commissions consistently focused on the process and structure of the defense acquisition system, while the Packard Commission and more recent studies focused on people acknowledging the lack of a competent, DoD trained and non-DoD educated workforce. The Packard Commission said, "Compared to its industry counterparts, this workforce is undertrained, underpaid, and inexperienced. . . It is vitally important to enhance the quality of the defense acquisition workforce--both by attracting qualified new personnel and by improving the training and motivation of current personnel."¹

Secretary of Defense Richard Cheney, in his Defense Management Report of July 1989, recommended establishing a dedicated Acquisition Corps within each military service. Secretary of the Army Michael Stone endorsed the proposal and during early 1990 directed the Department of the Army (DA) to start actions to create the Army Acquisition Corps. Congress established the Defense Acquisition Workforce Improvement Act which required significant acquisition reform and also acknowledged the necessity of an Acquisition Corps.

The Defense Acquisition Workforce Improvement Act

The Fiscal Year 1991 National Defense Authorization Act, H.R. 4739, Public Law 101-510, Title XII, 104 Stat 1656, Sections 1201-1211, now codified in 10 U.S. Code 1701-1764, included the Defense Acquisition Workforce Improvement Act (DAWIA). DAWIA was established to improve the overall effectiveness and professionalism of military and civilian personnel charged with management and administration of Defense acquisition programs. Major aspects of DAWIA include the following:

1) Section 1701 directed the Secretary of Defense to establish policies and procedures to manage DoD acquisition personnel. The new management system must include the accession, education, training, and career development of DoD personnel in acquisition positions. The section also made DAWIA applicable to the USAR by stating the Secretary of Defense "shall ensure that, to the maximum extent practicable, acquisition workforce policies and procedures established in accordance with this chapter are uniform in their implementation throughout the Department of Defense."²

Unfortunately, the USAR is unable to implement all requirements of the act as readily as active component personnel which will be discussed in more detail later in this study.

2) Section 1721 requires the Secretary of Defense to designate acquisition positions in regulations. As a minimum, all acquisition-related positions in the following areas must be included: (1) Program management; (2) Systems planning, research, development, engineering, and testing; (3) Procurement, including contracting; (4) Industrial property management; (5) Logistics; (6) Quality control and assurance; (7) Manufacturing and production; (8) Business, cost estimating, financial management, and auditing; (9) Education, training, and career development; (10) Construction; and (11) Joint development and production with other government agencies and foreign countries.

DA and the OCAR have not yet designated USAR acquisition positions, including positions filled by USAR personnel working at Office of the Assistant Secretary of the Army for Research, Development, and Acquisition (OASARDA).

3) Section 1722 requires the Secretary of Defense to identify those acquisition positions which may only be filled by armed forces personnel. The section also requires "a substantial increase in the proportion of civilians (as compared to armed forces personnel) serving in critical acquisition positions in general."³

Since the USAR has not identified its acquisitions positions, it does not comply with this requirement.

4) Section 1723 requires the Secretary of Defense to establish education, training, and experience requirements for each acquisition position. DoD was mandated to implement the requirement no later than October 1, 1993.

Since the USAR has not identified its acquisitions positions, it does not comply with this requirement.

5) Section 1724 establishes experience and civilian education qualification requirements for personnel serving in an acquisition position after October 1, 1993, as contracting officers who award or administer contracts for amounts above the small purchase threshold.

Although there are such personnel in the USAR, i.e., Headquarters, Third U.S. Army, the USAR has not identified them.

6) Section 1731 requires the Secretary of Defense to establish an Acquisition Corps for each military department.

DA has complied with this requirement.

7) Section 1732 provides eligibility criteria and procedures for membership in the Acquisition Corps.

The USAR submitted applications from over 550 military officers for membership, and 369 officers were approved and accepted for membership on April 8, 1995.⁴ Although no USAR civilian applications have been submitted yet, it is probable that very few USAR civilian personnel qualify. There was no review of USAR civilian personnel to determine whether they qualify.

8) Section 1733 requires all critical acquisition position (defined as acquisition position required to be filled by a lieutenant colonel or higher or civilian GS-14 or above) be filled by a member of the Acquisition Corps, effective October 1, 1993.

The USAR has identified no critical acquisition positions (CAPs) yet. As an example of the lack of compliance with Section 1733, if the USAR colonel and lieutenant colonel positions at OASARDA are acquisition positions, then they should be CAPs in accordance with this statute.

9) Section 1734 requires personnel assigned to a CAP to be assigned to the position for not fewer than three years effective October 1, 1993, unless a waiver is obtained. The section also requires the Secretary of Defense to establish regulations for a centralized job referral system for CAPs.

Because the USAR has not identified its acquisition positions or CAPs, statutes pertaining to CAPs are not currently being adhered to.

10) Section 1762 requires the Under Secretary of Defense for Acquisition to annually submit a report from 1991 through 1998 on the status of the defense acquisition workforce. The extensive and detailed report is to include the number of acquisition positions, the total number of persons serving in the Acquisition Corps, the total number of CAPs, the promotion rates for officers in the Acquisition Corps considered for promotion, the number of employees certified by an acquisition career program board, and numerous other items of information regarding the status of the acquisition workforce.

Since the USAR does not maintain a database or system to compile the USAR acquisition workforce information, USAR input is lacking in the report.

11) Other sections of DAWIA include DoD and DA acquisition workforce management guidance and procedures; non-DoD education, DoD training, and experience requirements for CAPs; guidance on intern, cooperative education, scholarship, tuition reimbursement, and student loan repayment programs; and establishment of the Defense Acquisition University. While the education programs could involve USAR acquisition personnel, most of the other sections do not relate to the USAR.

The claim has been made the USAR has not complied with the above listed statutes because DAWIA does not apply to the Reserve Components. The draft version of DAWIA included guidance which specified Reserve Component deviations from the Active Component, but the final version excluded all reference to the Reserve Components. By a strict interpretation of DAWIA, DAWIA pertains to the Reserve Components in the same manner as the Active Component. Simply because a statute pertaining to the DoD does not mention the Reserve Components, it should not be interpreted to mean the Reserve Components are excluded. Guidance from Congress to the DoD applies to the Reserve Components unless Congress specifies deviation from the general guidance or specifically excludes the Reserve Components. Additionally, the Office of the Secretary of Defense (OSD) published four acquisition guidance documents. The OSD documents implement DAWIA, define DoD responsibilities and authority for managing the DoD acquisition workforce and expressly state that their provisions apply to the Reserve Components. Given the frequent reference to acquisition workforce and Acquisition Corps, a clarification to differentiate acquisition workforce personnel from Acquisition Corps personnel may be beneficial. Acquisition workforce personnel include civilian employees and military members who occupy acquisition positions, who are members of the Acquisition Corps, or who are in acquisition development programs. Acquisition Corps personnel include military officers in the rank of lieutenant colonel and above and General Service (GS) and/or General Manager (GM) 14 and above, who are certified as qualified acquisition professionals. The acquisition workforce is determined by the position one holds, not experience or training. Acquisition Corps membership is determined by experience and training, not position. Numerous USAR acquisition personnel should be in the acquisition workforce, and a limited number of senior USAR acquisition personnel should be in the Acquisition Corps.

Department of Defense Directive 5000.52, Defense Acquisition Education, Training, and Career Development Program

The DoD Directive 5000.52 implements the Congressionally mandated requirements of DAWIA by updating policy and responsibility for acquisition personnel career development. The Directive clearly pertains to the USAR since it states, "This Directive applies to the Office of the Secretary of Defense (OSD), the Military Departments (including their National Guard and Reserve Components), the Chairman of the Joint Chiefs of Staff and the Joint Staff. . . ."⁵ The Directive reinforces DAWIA by establishing the policy that standards for education, training, and experience for each acquisition position be based upon the complexity of the position's duties. This policy was designed to ensure that the acquisition workforce is fully proficient in the acquisition process. The Directive delegates the powers and duties of the Secretary of Defense under DAWIA to the Under Secretary of Defense (Acquisition).

DoD Directive 5000.52 requires each Military Department to establish an Acquisition Career Program Board (ACPB) to advise the Service Acquisition Executive (SAE) in managing the accession, training, education, and career development of personnel in the acquisition workforce and in selecting personnel for the Acquisition Corps. The Directive also requires each Military Department to establish an Acquisition Corps consisting of acquisition personnel with specific education, training, and experience qualifications.

Although the Directive requires Acquisition Corps officers on active duty to be promoted at a rate not less than the promotion rate for all line officers of the same service, there is no such requirement for USAR officers. USAR officers do not comply with DAWIA because they are promoted by a different board, and few USAR officers have the opportunity to follow solely an acquisition career track due to the general scarcity of acquisition positions at most locations. The Directive requires Acquisition Corps personnel

to fill CAPs effective October 1, 1993, and directs the establishment of a centralized referral system for selecting Acquisition Corps members to fill CAPs.

Department of Defense 5000.52-M, Career Development Program for Acquisition Personnel

DoD 5000.52-M was issued under the authority of DoD Directive 5000.52 to provide uniform procedures for an acquisition personnel Defense Career Development Program. It implements numerous requirements of DAWIA. The Manual explicitly applies to the USAR because it states, "This Manual applies to the Office of the Secretary of Defense (OSD), the Military Departments (including their National Guard and Reserve Components), the Chairman of the Joint Chiefs of Staff and the Joint Staff. . . ."6 The Manual is designed to improve the acquisition workforce by establishing education, training, and experience standards for each acquisition workforce category and career field and by providing for certification of acquisition workforce members. Similar to DoD Directive 5000.52, the mandatory standards established by the Manual must be met by October 1, 1993.

The Manual addresses ten career fields including (1) Acquisition logistics; (2) Auditing; (3) Business, cost estimating and financial management; (4) Communication-computer systems; (5) Contracting; (6) Industrial/contract property management; (7) Manufacturing, production, and quality assurance; (8) Purchasing; (9) Systems planning, research, development, and engineering; and (10) Test and evaluation and the two position categories of Program management oversight and Education, training and career development.

Each career field and position category is divided into three career levels. The basis career level (Level I) includes civilians in grades GS05 through GS08 and officers in grades O-1 through O-3. The basic level training standards establish fundamental qualifications and expertise. The intermediate career level (Level II) includes civilians in

grades GS09 through GS12 and officers in grades O3/O4. The intermediate level training standards emphasize specialization in ones career field. The senior career level (Level III) includes civilians in the grades GS/GM13 and above and officers in the grades O-4 and above. When a person is qualified for the senior career level, the person should have completed all mandatory training and education requirements, as well as should have developed a depth of knowledge in one's functional area and the acquisition process as a whole.

Organizations are allowed 18 months in which to qualify new personnel. However, mandatory requirements should be met by personnel for Level II and III positions prior to assignment.

The acquisition career field certification for each career level is difficult for many USAR personnel to attain. Education, experience, and training certification requirements differ for each career field. A baccalaureate degree is preferred for most career fields and successful completion of at least one Defense Acquisition University (or equivalent accredited school) course in one's career field is required for certification. Because the training normally substitutes for their annual two weeks of active duty, attendance at the Defense Acquisition University course frequently prevents the Individual Mobilization Augmentee (IMA) and Troop Program Unit (TPU) personnel from performing duties with their organizations or units. Experience requirements for USAR civilians and Army Guard Reservists (AGRs) is not normally a problem for certification at Level I since one has 18 months to obtain 12 months prior experience. Given the fact that USAR civilians and AGRs are full-time employees, they are available to attend the required training. However, many IMA and TPU personnel are unable to obtain the minimal prior experience unless given credit for part-time experience.

Applying the certification process as it is described by the FY 1996 DAWIA Certifications Standards to the contracting career field provides a good example of the

intricacies of being certified. A USAR officer may be required to perform as a contracting officer in a situation such as Operation Desert Shield, USAR personnel are needed to manage or administer purchases above the small purchase threshold of \$100,000. A Level I contracting officer must fulfill the education requirement of possessing a baccalaureate degree or have at least 24 semester hours (or equivalent) among the following fields: accounting, law, business finance, contracts, purchasing, economics, industrial management, marketing, quantitative methods, organization, and management.

Level I certification also requires one year of contracting experience and successful completion of one of following DAU courses or its equivalent: (1) Contracting Fundamentals, (2) Operational Level Contracting Fundamentals, or (3) Facilities Contracting Fundamentals. One must also successfully complete another of the following DAU courses or its equivalent: (1) Contracting Pricing, (2) Operational Level Contract Pricing Fundamentals, or (3) Facilities Contract Pricing.

Level II educational requirements prefer the person should have completed some graduate studies in business administration or procurement. The experience requires an additional year of contracting experience with two additional years preferred. Training requirements include successful completion of two DAU courses, Government Contract Law, and Intermediate Contract Pricing, as well as an additional DAU course from among Intermediate Contracting, Intermediate Contract Administration, Operational Level Contract Administration, and Intermediate Facilities Contract Management.

The Level III educational requirement only prefers a Masters degree in Business Administration or Procurement. Experience requirements consist of four total years of contracting experience with an additional four years desired. Training requirements for certification include successful completion of a DAU course, Executive Contracting. The requirements also include completion of one of two DAU courses: 1) Management for

Contracting Executives or 2) Executive Cost and Price Analysis. Completion of the DAU course in Management and Leadership Training is also preferred.

The Undersecretary of Defense (Acquisition) published ADS-93-01-GD, Acquisition Career Management Mandatory Course Fulfillment Program and Competency Standards⁷ under the authority of DoD 5000.52-M to update mandatory course competency standards. ADS-93-01-GD enables one to substitute specific acquisition courses in lieu of attendance at mandatory acquisition training courses identified by DoD 5000.52-M.

A full-time USAR member can comply with the above certification requirements to reach Level III. However, an IMA or TPU member must qualify based upon non-USAR qualifications and training (i.e., working as a contracting officer for a corporation or military installation) because the extensive training and the educational requirements can create a burden, given the normal professional development and unit/organization training requirements. Some USAR personnel already experience difficulty being released from civilian employment to attain branch, Combined Arms and Services Staff School, unit, and position training requirements and to accompany the unit/organization during annual training. Most other acquisition career fields also present training, education, and experience criteria difficulties in order to obtain certification. Reduced criteria requirements or more waivers for USAR acquisition personnel, particularly part-time USAR personnel, are needed.

Department of Defense Instruction 5000.55, Reporting Management Information on DoD Military and Civilian Acquisition Personnel and Positions

The DoD Instruction 5000.55 implements DAWIA's mandate to create a DoD capability for tracking and reporting the education, experience, and training status of the acquisition workforce, as well as for establishing a management information system to provide standardized information on acquisition positions and the persons serving in acquisition

positions. It "applies to the Office of the Secretary of Defense (OSD), the Military Departments (including their National Guard and Reserve Components, except that the National Guard in the various states is excluded from designating critical acquisition positions and participating in the Acquisition Corps); the Chairman of the Joint Chiefs of Staff and the Joint Staff. . . ."⁸ The application of this Instruction to the USAR does not differ from other guidance.

Unlike other DoD guidance, paragraph 2a of this Instruction states that it covers "all military and civilian personnel employed in acquisition functions, members of Acquisition Corps, and personnel occupying designated acquisition positions. Additionally, only reservists on extended active duty filling designated acquisition positions"¹¹ are covered. Consequently, IMA, Individual Ready Reserve (IRR), and most TPU acquisition personnel may not be covered by this instruction because they are not on extended active duty. The Instruction definitely covers civilian and AGR personnel currently assigned to an acquisition designated position or other USAR personnel on extended active duty. However, the limitation may significantly reduce the quantity of personnel to be maintained in the management information system database.

According to the Instruction, the 369 USAR military personnel (mentioned earlier at Section 1732 of DAWIA) accepted into the Acquisition Corps can not be tracked or reported in the DoD Instruction 5000.55 database until they are filling designated acquisition positions. Even if the 369 personnel are in designated acquisition positions, they can not be tracked or reported if one interprets the phrase "extended active duty" to mean personnel assigned to a position for over six months of active duty time. This interpretation of paragraph 2 would result in the exclusion of IMA, IRR, and most TPU personnel from the tracking and reporting requirements. DA could provide guidance on the appropriate interpretation of the phrase "extended active duty."

The Instruction describes the management information system requirements from each component. "Component" refers to DoD organizations rather than a differentiation between active or reserve components. The Instruction defines DoD Components as "the Office of the Secretary of Defense (OSD), the Military Departments, the Chairman of the Joint Chiefs of Staff and the Joint Staff, the Unified and Specified Commands, the Office of the Inspector General of the Department of Defense, the Defense Agencies, and the DoD Field Activities."¹⁰ The management information system is to standardize information on acquisition positions and personnel. The system is to identify personnel who are not fully qualified, as well as the status of their qualification, assignment, and tenure waivers. The Director, Acquisition, Education, Training, and Career Development in the Office of the Secretary of Defense (Acquisition) is to prepare an annual report derived from the management information system.

The Instruction requires that each DoD Component identify each acquisition position and member of the acquisition workforce, establish and maintain the management information system, submit requested acquisition position and personnel records, track mandatory training, and forecast future training requirements. The USAR has not yet designated its acquisition positions or implemented a management information system.

Department of Defense Instruction 5000.58, Defense Acquisition Workforce

The DoD Instruction 5000.58 establishes policy for designating acquisition positions and CAPs, as well as for managing the acquisition workforce. It applies to the "Office of the Secretary of Defense (OSD), the Military Departments (including the National Guard and Reserves, except that the National Guard is excluded from designating critical acquisition positions outside National Guard Bureau Headquarters), the Chairman of the Joint Chiefs of Staff and the Joint Staff. . . ."¹¹ The Instruction (1) requires that positions be designated acquisition positions if the positions are within the DoD acquisition system

and be established to perform an acquisition function; (2) requires that each acquisition position be listed in one of the 14 acquisition categories and have certification standards; (3) requires the identification of all acquisition positions within DoD regardless of the DoD Component or organization's mission; (4) delegates authority to designate acquisition positions and CAPs to Secretaries of the Military Departments; (5) requires a military/civilian Acquisition Corps for each Military Department; (6) establishes assignment mobility as a condition of civilian membership in the Acquisition Corps; (7) establishes the Defense Acquisition Career Development Council to formulate policy, approve training budgets, review Component Acquisition Career Program Board proposals, and oversee implementation of this Instruction; and (8) at least annually publish a list of in-service acquisition positions, CAPs, and certification standards for each position.

Although DA has implemented the Instruction, the USAR has not. The USAR needs to designate its acquisition and CAP positions and acquisition personnel prior to implementing this Instruction. The Instruction requires acquisition civilians to be able to move to a new location and to be willing to accept other acquisition positions to become better qualified. This mobility requirement for USAR civilians will adversely impact USAR units more than it already impacts the active component organizations. This problem is due to the dual employment requirement for USAR unit civilians to qualify for the civilian positions, as well as to join their USAR units as USAR reservists. The acquisition mobility requirements compounds the USAR dual employment requirement. However, until USAR acquisition positions are identified, the degree of adverse impact is unknown.

Department of the Army Acquisition Guidance

Although DoD provided extensive guidance in the implementation of DAWIA, formal guidance from the DA pertaining to the Reserve Component is lacking. The above mentioned DoD acquisition documents state that the statutory requirements of DAWIA

apply to the Reserve Components. The DA and, in particular, the OASARDA has not published an Army Regulation to implement the guidance of the DoD publications. This lack of guidance has contributed significantly to the failure of the USAR and Army National Guard to fully implement DAWIA.

OASARDA implemented the DoD and DAWIA requirements by first applying the requirements to the Active Component. The DA Active Component acquisition positions and officers fully comply with the intent of the guidance. OASARDA is currently applying the requirements to the civilian acquisition workforce and making commendable progress, given the quantity of personnel involved. The Army Acquisition Workforce consists of 2,141 military officer positions and 30,656 civilian positions, for a total of 32,797 authorized positions as of January 1996.¹² The CAPs require extensive management. The Army CAPs include the following authorized positions as of January 1996:¹³

ACTIVE COMPONENT			
<u>MILITARY POSITIONS</u>		<u>CIVILIAN POSITIONS</u>	
LTC	2	SES	160
MG	13	GM15	1546
BG	9	GM14	3730
COL	224		
LTC	604		
TOTAL	852	TOTAL	5436

Although OASARDA has not fully addressed applying the DAWIA and DoD acquisition requirements to the USAR, the total quantity of the Army Acquisition Workforce-Reserve Components (ACWF-RC) may not even exceed the quantity of DA military CAPs. During a study of the Reserve Component acquisition program conducted by Quality Research Incorporated, the Army Reserve Personnel Center (ARPERCEN) identified 1,563 total USAR and the U.S. Army Force Integration Support Agency (USAFISA) identified 136 Army National Guard positions which are potential acquisition

positions.¹⁴ The data provided included all Reserve Component officers in Areas of Concentration (AOC) 51, 53, and 97 to simplify the task. Most USAR AOC 51, 53, and 97 officers probably are not assigned to an acquisition position. Consequently, the USAR quantity is inflated.

There are other laws pertaining to acquisition with appropriate DoD instructions and OASARDA prepared DA regulations to implement the laws and instructions. OASARDA also prepared and disseminated numerous memorandums to clarify the acquisition policies. However, current DA regulations do not address Reserve Component implementation of the DoD instructions or Congressional laws. The USAR needs guidance from OASARDA in order to determine the workload, organizations, mechanisms and procedures required to implement higher headquarters guidance and to clarify the application of the guidance to the USAR.

USAR Acquisition Implementation Progress

The USAR implementation of DAWIA and its subsequent DoD publications basically consist of only two actions. Both accomplishments were joint actions by OASARDA and OCAR. First, OASARDA developed a survey which would enabled OCAR and OASARDA to determine whether USAR personnel qualified for the Acquisition Corps. The U.S. Army Personnel Center (ARPERCEN) distributed the survey to over 700 USAR officers. OASARDA established a three-member panel which met during March 1995 at St. Louis, Missouri to review the applications. LTG William H. Forster, Director, Acquisition Corps approved 369 applications on May 18, 1995, recommended by the panel for membership into the Acquisition Corps. The breakdown of the positions is provided below:

ACQUISITION CORPS ¹⁵				
FUNCTIONAL AREA	<u>MAJ</u>	<u>LTC</u>	<u>COL</u>	<u>TOTAL</u>
51	65	59	8	132
53	16	16	0	32
97	51	55	9	115
TOTAL	132	130	17	279

ACQUISITION WORKFORCE					
FUNCTIONAL AREA	<u>CPT</u>	<u>MAJ</u>	<u>LTC</u>	<u>COL</u>	<u>TOTAL</u>
51	15	18	4	0	37
53	4	5	2	0	11
91	26	9	6	1	42
TOTAL	45	32	12	1	90

The 369 USAR officers qualify for the acquisition workforce, but they are not necessarily assigned to or ever will be assigned to a USAR acquisition position. However, now that they have been accepted into the acquisition workforce, they qualify for the required Levels I through III acquisition training. The school, travel, and per diem training costs will be funded by OASARDA. Consequently, the 369 USAR officers provide a readily identified group from which to train and maintain in the event of a mobilization requirement for acquisition personnel such as contract officers. The training is essential in order to afford USAR acquisition personnel the same required training provided to their Active Component counterparts. Since USAR acquisition personnel appear to have a lower priority for acquisition training quotas, not all USAR acquisition personnel are receiving the training.

The second OASARDA/OCAR action was a Memorandum of Understanding (MOU) signed by LTG Ronald V. Hite, Director, Acquisition Career Management (DACM) on

June 13, 1995, and MG Max Baratz, Chief, Army Reserve (CAR) on October 2, 1995. The OASARDA drafted MOU was "established to provide a common basis of understanding on the identification, selection, training, and management of USAR personnel subject to the provisions of DAWIA (Title XII of Public Law 101-501."¹⁶ The MOU also established a framework for the development of a comprehensive acquisition policy tailored to the USAR but still fulfilling current laws and regulations. The CAR agreed to manage the development of acquisition workforce career management policy for the USAR with the DACM and in accordance with DAWAI and DoD acquisition instructions and manual. The CAR also will identify USAR acquisition positions and manage USAR acquisition personnel qualification, selection, training, utilization, and reporting requirements. The agreed actions create a substantial workload requirement for OCAR. The DACM agreed to certify qualified USAR acquisition personnel, provide overall Army Acquisition Workforce program direction, monitor OCAR execution of the USAR acquisition responsibilities, and provide the USAR the same as Active Component access to all levels of Army, DoD, and nongovernmental acquisition training and education training opportunities.

The MOU is a major step for the USAR implementation of DAWIA and its subsequent DoD instructions and manual. What is needed now is additional action to comply with and implement the stated agreements of the MOU.

During November 1994, COL William Hanna, then Director for Reserve Affairs, OASARDA, convinced OSD to accept civilian training, education, and experience for USAR acquisition personnel. Since USAR personnel with civilian experience understand the acquisition problems from the perspective of the civilian acquisition community, they offer many benefits to the military acquisition workforce. The civilian-trained, -educated, and -experienced USAR acquisition personnel also provide a peacetime reserve of qualified personnel to augment and assist military units and organizations when needed. However, the OSD approval was only verbal and not officially documented.

COL Hanna also obtained verbal approval from OSD that exempted USAR acquisition personnel from a DoD 5000.52 requirement. OSD verbally approved the exemption of USAR acquisition personnel from the requirement that they are limited to a single career path. USAR officers are frequently qualified in multiple functional career paths to enable promotions. The low density of acquisition positions would significantly limit USAR acquisition personnel from being promoted. However, OSD approval was not officially documented.

Through the initiative of Mr. Keith Charles, Deputy Director for Acquisition Career Management, numerous efforts to assist the Reserve Component implement the acquisition requirements are proceeding. OASARDA established a process action team to study and discuss Reserve Component implementation. In addition, Mr. Charles briefed the CAR on April 10, 1996, regarding USAR acquisition matters. The briefing should result in an enhanced understanding of the problems faced, as well as how OASARDA and OCAR can jointly implement DAWIA.

Recommendations

The first step in implementing DAWIA and the subsequent acquisition related regulations should be to identify which OCAR office will coordinate acquisition guidance, policy, and status with OASARDA. The OASARDA point of contact is the Director for Reserve Affairs. A coordination channel is needed to ensure OCAR and the USAR are aware of OASARDA guidance and policy, as well as provide reports and implementation status.

The Logistics Division of OCAR is an appropriate staff organization to perform this task. Acquisition is primarily a logistics function. The ultimate objective of the acquisition workforce is a logistics mission of providing the American soldier with the best practical equipment, in sufficient quantity, in the shortest possible time, within resource and

statutory constraints, and using sound business practices to enable the soldier to defend the nation and to prevail in an armed conflict. The Logistics Division already has responsibility for the dedicated procurement program, which is a major USAR link with OASARDA. Logistics Division personnel performing the dedicated procurement program duties probably need to fulfill DoD 500.52-M criteria for acquisition training, education, and experience, as well as CAP requirements.

However, additional personnel authorizations and access to personnel databases are needed to enable the Logistics Division to perform the additional workload. Given recent personnel drawdowns, a review of manpower priorities may be necessary. A comparison of USAR personnel supporting OASARDA to determine which positions are not performing Congressionally mandated USAR requirements identified the potential source of the additional manpower.

The next recommended step is to identify and validate USAR acquisition positions prior to OASARDA approval. Of course, a clear definition of USAR acquisition positions is needed. Merely labeling all AOC 51, 53, and 97 officer positions as acquisition positions is not appropriate. Such a simple definition would include numerous officers with no acquisition responsibilities. Labeling all USAR civilian contracting personnel as acquisition personnel is also inappropriate. Only contract personnel who administer or manage programs over the small purchase authority should qualify as acquisition personnel. Data base reviews conducted by ARPERCEN and the USAFISA can identify potential USAR acquisition positions. However, OCAR should scrub the list of potential acquisition workforce personnel and positions and contact responding command/organizations to ensure data is accurately maintained prior to submitting the list to OASARDA for approval.

Personnel acquisition surveys should be prepared and distributed to USAR personnel who are assigned to acquisition positions or believe they qualify as Acquisition Corps members. The survey data could be compiled and analyzed to determine whether the

personnel should be incorporated into a USAR acquisition database and what further action is warranted.

After USAR acquisition personnel or needs are identified, the personnel should be trained and educated. The law mandates that acquisition personnel receive training and education which enables them to better execute their duties. Given the lack of training, education, and experience of many USAR acquisition personnel when compared with their Active Component counterparts, many USAR personnel are at a disadvantage when executing their acquisition programs. The USAR will require training quotas and funding for the training and education. Temporary waivers for civilian and military USAR acquisition personnel will be required until training and education opportunities are made available to the USAR acquisition personnel.

Given the lack of DA regulations to implement DAWIA and the DoD publications, it is recommend that OASARDA draft, staff, and publish a regulation which clarifies how acquisition guidance and policy pertains to the Reserve Components. Accession requirements for USAR personnel into the Army Acquisition Workforce (or a separate USAR Acquisition Workforce) and the Army Acquisition Corps require allowances for civilian experience and more lenient criteria for USAR acquisition positions and personnel. DAWIA section 1734 requirement that a person assigned to a CAP remain in the position for at least three years should be rescinded for USAR personnel if possible. Part-time USAR personnel obviously are unable to fulfill this requirement since they routinely serve only two weeks of active duty per year. Even if the requirement was interpreted as not requiring three consecutive active duty years, USAR personnel would have difficulty meeting the requirement. Part-time USAR personnel difficulties result from employment relocations or military promotion opportunities.

Responsibilities, mechanisms, procedures, and milestones are suggested to implement the above recommendations. Given the complexity and magnitude of the actions, a plan is essential. The OASARDA process action team established by Mr. Charles could provide

significant expertise in these efforts. However, OCAR should establish in progress reviews and ensure that a program is created which enables OCAR to adequately manage the program and fulfill its requirements.

Operations Desert Storm, Just Cause, and Urgent Fury revealed significant shortcomings in the Army's contingency contracting mission capabilities, including: (1) the lack of a system to access AOC 97 officers in a timely manner for contingency contracting, (2) the need for a contracting authority to be established in the theater from the start of an operation, (3) the lack of an Army proponent to provide resources for the contracting mission, (4) the lack of contracting in the logistical support base of Modified Tables of Organization and Equipment, (5) the lack of legal advice for contingency contracting at the start of an operation, (6) the lack of doctrine for contracting activities for future contingency operations, (7) the lack of an established contracting framework to support the fighting force in contingency operations, (8) the realization that IMAs could fill a number of key positions in a contingency contracting organization, and (9) the need for NCOs in the acquisition field. The USAR is well suited to augment the limited support units of the Active Component divisions and corps or the Army contracting organizations designed to provide peacetime support. The Active Component lacks the manpower to maintain a standing organization to perform a contingency contracting mission. Given the need to mobilize contracting officers in a timely manner, USAR and, in particular, IMA personnel who train with the mobilizing units/organizations are a logical option.

A review of IMA acquisition authorizations as a minimum is recommended and ideally a review of all USAR acquisition requirements should be accomplished. There is a significant shortage of acquisition IMAs. However, the priority of the IMA functions in comparison to other IMA authorizations is unknown. Given the reduction of all USAR authorizations, including IMAs, it is possible that the acquisition field shortages are similar to other fields. There exists a need to review IMAs authorizations because there is greater potential for their shortage to adversely impact unit readiness as resources become more

critical. Interviews conducted by Quality Research reveal that organization justification for many IMA positions has become lost or forgotten over time.¹⁷ The study also revealed that some IMA positions exist as one-for-one backfills for Active Component acquisition positions. Although the manpower requirements exist, manpower authorizations are not provided for most requirements. Consequently, the study substantiated the indication there is an acquisition manpower problem and IMAs can alleviate the problem.

The use of USAR acquisition personnel to mitigate the existing acquisition manpower problem is philosophically consistent with and encouraged by the National Defense Authorization Act of 1995. The Secretary of Defense is directed by Section 513 of the Act to

(1) Review the opportunities for individual members of the Reserve Components of the Armed Forces to be ordered to active duty, with the consent of the members concerned, during peacetime in positions traditionally filled by active duty personnel; and (2) Identify and remove any impediments, in regulations or other administrative rules to increase these opportunities.¹⁸

Until a study is conducted to establish priority acquisition manpower requirements, additional manpower drawdowns will only exacerbate the current situation. Consequently, a thorough review may be beneficial.

Implementation Benefits for the USAR

The USAR would benefit from implementation of the laws and regulations associated with DAWIA. By assigning AGR and IMA personnel to acquisition positions involved in the research, design, evaluation, procurement, and fielding of USAR equipment and systems, the USAR concerns are better represented and understood. The USAR would benefit by interacting with program managers, materiel developers, combat developers, and force integrators associated with USAR equipment and systems. Equipment is vital for USAR organizations to train on in order to become proficient and mission ready. If a USAR unit trains on older equipment and is then mobilized, deployment is delayed as the

unit becomes familiar and proficient on the new equipment. Some USAR units arrive in theater prior to combat units or most mobilize to enable combat forces to deploy. Equipment reallocations and training only delay their deployability or ability to assist deploying units.

Given the austere budgets of today and tomorrow, funding for USAR equipment and systems can easily be reduced or withdrawn due to the absence of trained and experienced USAR acquisition personnel to support the USAR programs against other resource priorities. In addition, untrained and inexperienced USAR acquisition personnel can create an unprofessional and incompetent image of the USAR. USAR acquisition personnel trained and educated in accordance with DAWIA and DoD regulations can assist prevent such problems and perceptions.

Another benefit for the USAR is that USAR acquisition personnel receive more training and educational benefits than most other USAR personnel. DAWIA and the DoD acquisition regulations mandate acquisition personnel receive specific training and education. Consequently, the current USAR acquisition personnel benefit from USAR compliance with DAWIA and the DoD regulations. The travel and school costs associated with the training and education are funded by OASARDA and not OCAR. The USAR provides a valuable and perishable manpower resource for the acquisition workforce. The costs for OCAR are those related to managing accession, certification, assignment, training, and education of the USAR acquisition personnel.

Conclusion

The USAR should implement the requirements of DAWIA and DoD acquisition regulations because it is the law. Most acquisition laws and DoD guidance do not distinguish between the Active Component and Reserve Component implementation requirements. A proactive OASARDA and OCAR commitment to the acquisition law is essential. However, guidance and an implementation plan are necessary. This suggests

significant coordination between OASARDA and OCAR is essential. OCAR lacks information and personnel knowledgeable about what actions are needed. OASARDA, as the acquisition proponent, recognizes that applying all acquisition laws and regulations to the Reserve Components is not practical and has implemented programs to first apply the myriad of requirements to the Active Component. Problems unique to the USAR associated with implementing congressional and regulatory acquisition requirements must be resolved. All of the mandatory career level requirements should not apply to every USAR acquisition position. The USAR needs to identify its acquisition positions and then coordinate with OASARDA to train USAR personnel.

OASARDA should prepare, staff, and publish a regulation which addresses Reserve Component acquisition guidance. The regulation should clarify that USAR acquisition personnel are not limited by single track career paths and that Active Component promotion rates and mobility requirements do not apply to the USAR officers. Clarification and authorized deviations from DoD regulations should be coordinated with DoD and incorporated into the regulation. Waivers are usually available on a qualifying basis, but more liberal waivers policies may be needed for the Reserve Components.

The USAR could perform contingency contracting roles which complement and greatly assist units/organizations during deployment missions, especially in light of the downsizing of the Active Component.

It appears that OASARDA and OCAR are now communicating and working together to address the USAR implementation of DAWIA and the DoD regulations. Continued cooperation, proactive attitudes, and creative approaches are necessary to address the challenges to ensure quick and decisive implementation.

ENDNOTES

¹ *A Quest for Excellence, Final Report to the President by the President's Blue Ribbon Commission on Defense Management*, Washington: Packard Commission, June 1986, p. 66-67.

² *Defense Acquisition Workforce Improvement Act, Title 10, U.S. Code* section 1701, (1990 and 1992).

³ *Ibid.*, section 1722.

⁴ "U.S. Army Reserve Accession Into the Army Acquisition Corps/Workforce," *Army RD&A* (July-August 1995), p. 54.

⁵ U.S. Department of Defense, *Defense Acquisition Education, Training, and Career Development Program*, Department of Defense Directive 5000.52, Washington: Department of Defense, October 25, 1991, p. 1.

⁶ U.S. Department of Defense, *Career Development for Acquisition Personnel*, Department of Defense 5000.52-M, Washington: U.S. Department of Defense, November 1991, p. i.

⁷ U.S. Department of Defense, *Acquisition Career Management: Mandatory Course Fulfillment Program and Competency Standards*, ADS-93-01-GD, Washington: U.S. Department of Defense, January 1993, p. 1.

⁸ U.S. Department of Defense, *Reporting Management Information on DoD Military and Civilian Acquisition Personnel and Positions*, Department of Defense Instruction 5000.55, Washington: U.S. Department of Defense, November 1, 1991, p. 2.

⁹ *Ibid.*, p. 2.

¹⁰ *Ibid.*, p. 2-5.

¹¹ U.S. Department of Defense, *Defense Acquisition Workforce*, Department of Defense Instruction 5000.58, Washington: U.S. Department of Defense, January 14, 1992, p. 1.

¹² Caldwell, BG John, briefing slides to Senior Service College Fellow, Austin, Texas, 11 April 1996, data provided by OASARDA.

¹³ *Ibid.*

¹⁴ Quality Research, Inc., *Reserve Component Acquisition Study - Phase II*, Prepared for Office of the Assistant Secretary of the Army (Research, Development & Acquisition, Huntsville, AL, 1995, p. 42.

¹⁵ "U.S. Army Reserve Accession into the Army Acquisition Corps/Workforce," p. 54.

¹⁶ LTG Ronald V. Hite, Director for Acquisition Career Management and MG Max Baratz, Chief, Army Reserve, "Memorandum of Understanding Among Chief, Army Reserve and Director for Acquisition Career Management," June 13, 1995 and October 2, 1995, p. 1.

¹⁷ Quality Research, Inc., p. 47.

¹⁸ House of Representatives, *National Defense Authorization Act for Fiscal Year 1995*, Conference Report to Accompany S. 2182, Report 103-701, 103rd Congress, 2nd Session, Washington, August 12, 1994.

BIBLIOGRAPHY

- A Quest for Excellence, Final Report to the President by the President's Blue Ribbon Commission on Defense Management*, Washington: Packard Commission, June 1986.
- Brown, MAJ R. Mark, "Why Do We Need An Army Acquisition Corps?," *Army Research, Development and Acquisition Bulletin*, September-October 1993): 4-5.
- Caldwell, BG John, briefing slides to Senior Service College Fellows, Austin, Texas, 11 April 1996, data from OASARDA.
- Carney, COL James L., "Is There a Role for the Reserve Components in the Acquisition Corps," *Army Research, Development and Acquisition Bulletin*, (January-February 1993): 40-42.
- Chagnon, COL Wilfred R., Chief, Logistics Division, Office of the Chief of Army Reserve, telephonic interview by author, March 15, 1996.
- Corlew, LTC Robert L., Acquisition Policy, Assistant Secretary of the Army (Research, Development & Acquisition), interview by author, Washington, D.C., March 12, 1996.
- Decker, Gilbert F., Assistant Secretary of the Army (Research, Development & Acquisition), interview with author, February 11, 1996, Austin, Texas, tape recording.
- Defense Acquisition Workforce Improvement Act, Title 10 U.S. Code*, secs 1701-64 (1990 and 1992), Public Law 101-501 National Defense Authorization Act for Fiscal Year 1991", Title XII.
- Forster, LTG William H., briefing slides to Senior Service College Fellows, Austin, Texas, April 1, 1993.
- Government Accounting Office, *Reserve Force: Department of Defense Guidance Needed on Assigning Roles to Reserves Under the Total Force Policy*, GAO/NSIAD-90-26, Washington: U.S. Printing Office, December 1989.
- Hadley, COL Peter C., Director for Reserve Affairs, Assistant Secretary of the Army (Research, Development & Acquisition), interview by author, Washington, D.C., December 15, 1995.
- Hanna, COL William F., "Army Acquisition Corps--Reserve Components (AAC-RC)," Information Paper, March 1, 1994.
- Hanna, COL William F. (Ret), telephonic interview by author, March 7, 1996.
- Harris, Marilyn, "Professionalization of the Acquisition Work Force," *Army Research, Development and Acquisition Bulletin*, (September-October 1993): 6-7.

- LTG Ronald V. Hite, Director for Acquisition Career Management and MG Max Baratz, Chief, Army Reserve, "Memorandum of Understanding Among Chief, Army Reserve and Director for Acquisition Career Management," June 13, 1995 and October 2, 1995.
- House of Representatives, *A Report on the Defense Management Review*, Communication from the President of the United States Transmitting a Report Submitted by the Secretary of Defense on the Defense Management Review, Report 101-81, Referred to the Committee on Armed Services, 101st Congress, 2nd Session, Washington, July 10, 1989.
- House of Representatives, *Acquisition Workforce*, Hearings Before the Investigations Subcommittee of the Committee on Armed Services, HASC No. 101-71, 101st Congress, Hearings held March 28, and April 24, 1990, Washington, 1990.
- House of Representatives, *National Defense Authorization Act for Fiscal Year 1995*, Conference Report to Accompany S. 2182, Report 103-701, 103rd Congress, 2nd Session, Washington, August 12, 1994.
- Menist, MG Robert L., "Individual Mobilization Augmentees - The Force Multipliers in RD&A," *Army RD&A*, (January-February 1995): 45-46.
- Piad, Carlos A., Morig, Robert D., and Cerutti, COL Edward A., "Process Action Team Identifies Opportunities for Improving Acquisition Career Management," *Army RD&A*, (January-February 1996): 28-30.
- Quality Research, Inc., *Reserve Component Acquisition Study Phase II*, Prepared for the Office of the Assistant Secretary of the Army (Research, Development & Acquisition), Huntsville, AL, 1995.
- Rosner, COL Thomas V., Director, Army Acquisition Corps Policy, interview by author, Washington, D.C., March 11, 1996.
- U.S. Department of the Army, *Army Acquisition Policy*, AR 70-1, Washington: Department of the Army, March 31, 1993.
- U.S. Department of the Army, *FY 1996 DAWIA Certification Standards*, Appendix I, Washington: U.S. Department of the Army, 1995.
- U.S. Department of Defense, *Acquisition Career Management: Mandatory Course Fulfillment Program and Competency Standards*, ADS-93-01-GD, Washington: U.S. Department of Defense, January 1993.
- U.S. Department of Defense, *Career Development Program for Acquisition Personnel*, Department of Defense 5000.52-M, Washington: U.S. Department of Defense, November 1991.
- U.S. Department of Defense, *Defense Acquisition Education, Training, and Career Development Program*, Department of Defense Directive 5000.52, Washington: U.S. Department of Defense, October 25, 1991.

U.S. Department of Defense, *Defense Acquisition Workforce*, Department of Defense Instruction 5000.58, Washington, U.S. Department of Defense, January 14, 1992.

U.S. Department of Defense, *Reporting Management Information on DoD Military and Civilian Acquisition Personnel and Positions*, Department of Defense Instruction 5000.55, Washington, U.S. Department of Defense, November 1, 1991.

"Acquisition Workforce Facing Era of Upheaval," *National Defense*, (September 1994): 38-39.

"Army Acquisition Workforce/Corps and Reserve Component Integration," *Army RD&A*, (September-October 1995): 43.

"Army Reserve Personnel Center Notes...", *Army RD&A*, (January-February 1996): 47.

"U.S. Army Reserve Accession Into the Army Acquisition Corps/Workforce," *Army RD&A*, (July-August 1995): 54.

"Workshop Attendees Review Acquisition Corps Implementation," *Army RD&A*, (March-April 1995): 24-25.